

November 6, 2008

Indiana Economic Development Corporation

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Barbara McNutt
Chief Counsel
Indiana Professional Licensing Agency

Dear Ms. McNutt:

Pursuant to IC 4-22-2-28, The Indiana Economic Development Corporation ("IEDC") has reviewed the economic impact analysis for small businesses associated with rule changes proposed by the Indiana Professional Licensing Agency ("IPLA") on behalf of the State Board of Massage Therapy ("Board") and contained in LSA Document 08-352. The proposed rule adds 847 IAC 2 to comply with IC 25-21.8.3.1, which requires that the Board adopt rules establishing fees for examination, certification applications, renewal of certifications, and other services related to the certification of message therapists. In addition, IC 25-21.8--4 requires that an application for certification be accompanied by a fee set by the Board. The rule establishes those fees. The types of businesses that that will be affected by this proposed rule are those independent massage businesses, spas, beauty salons, occupational therapy and physical therapy clinics, long term care facilities, hospice or home care agencies, hospital based clinics, chiropractic offices, dental offices, hotels, and athletics departments of some schools that provide massage therapy services. The Board does not currently have the information necessary to determined how many of these entities may be classified as small businesses.

The impact statement provided by the IPLA indicates that the proposed rule will not impose any new reporting requirements on affected entities. Although the Board does not have the information available to definitively determine the economic impact on small businesses associated with the proposed rule, the Board anticipates that in the first calendar year of operation, it will receive approximately four thousand seven hundred and fifty (4,750) applications. The rule establishes a \$100.00 fee per each initial application. Thus the anticipated total impact to all businesses in the first year is expected to be \$475,000.

There are currently 30 message therapy schools in Indiana with an average of forty-eight (48) graduates per year from each school. Therefore, in subsequent years, the total cost associated with applications for certification is expected to be \$144,000 [30 schools X 48 graduates/year X \$100]. Beginning in 2013, the Board will begin collecting fees for certification renewal at the rate of \$37.50 per year. The total cost associated with these renewal fees is expected to be \$178,125/year [4750 renewals X \$37.50/year]. Therefore, beginning in 2013, the total annual estimated impact is approximately \$322,125 [\$144,000 + \$178,125].

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The IEDC does not object to the economic impact to small business associated with this proposed rule. The Board is charged with the duty of certifying individuals to practice and with the duty of imposing discipline upon those certificate holders who violate the statutes and rules of the Board. Additionally, the Board is charged with setting fees necessary to support its operations.

If you have any questions about the comments contained herein please contact me at 232-8962 or rasberry@iedc.in.gov.

Regards,

Ryan Asberry

Assistant Vice President